



**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

April 2, 2015

Mr. Gerardo C. Rios
Chief, Permits Office
Air Division
US EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

ALAMEDA COUNTY

Tom Bates
Margaret Fujioka
Scott Haggerty
Nate Miley

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Karen Mitchoff
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Jack P. Broadbent
EXECUTIVE OFFICER/APCO

Dear Mr. Rios:

During the review of the Phillips 66 Company (San Francisco Refinery) Propane Recovery Project (District Permit Application No. 25199) the applicant stated that a PSD Applicability Analysis had been prepared for the project using "NSR Reform" methods (see 67 Fed. Reg. 80,186). In accordance with the March 8, 2011 Partial PSD Delegation Agreement, Section III.1, the District does not have the authority to make PSD applicability determinations using NSR Reform methods. Per the delegation agreement, EPA shall make the PSD applicability determination and issue any necessary PSD permits if a source seeks a PSD applicability determination using NSR Reform methods.

This letter serves as a courtesy notification to the EPA that this applicant (Phillips 66) has prepared a PSD Applicability Analysis based on NSR Reform methods, which may be subject to EPA review.

Please contact Brian Lusher at (415) 749-4623 or at blusher@baaqmd.gov, if you wish to discuss this matter further.

Sincerely,

Jim Karas
Director of Engineering
Bay Area Air Quality Management District

cc: Brent Eastep, Phillips 66 (via: email)